



2008 Buyer's Guide

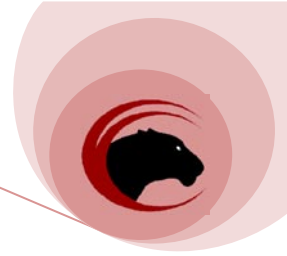
For Licensing Professionals

Innovative Solutions for IP Royalty and
Contract Management

Jaguar Consulting, Inc.
Pasadena – New York – Toronto – London

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Introduction to System 7



System 7 is a sophisticated royalties, accounting, and rights management information system designed to provide automated support of the acquisition and licensing of intellectual property. System 7 represents the ideal contract-centric solution for companies involved in managing licensed property used in consumer products, Internet publication, and sports entertainment.

System 7 supports the contract life cycle, including negotiations, legal review, deal memos, long form agreements, amendments, and options. System 7 gives particular attention to royalty terms, calendaring, rights clearance, and enforcement of corporate standards. System 7 applies extensive intelligence at every stage of the contract life cycle to ensure outstanding management reporting accuracy, reliability, and relevance.

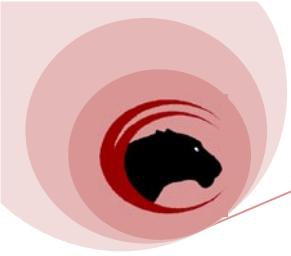
A unique feature of System 7 is tight integration between contracts and finance. System 7 serves as a sub-ledger to broader-based accounting systems while allowing for interface capabilities to these ERP systems. Data entered while building the original contract controls invoicing of scheduled payments, guarantee shortfall calculation, cash application, and general ledger transactions. Each stage of processing references licensing-specific information such as asset, product category, distribution channel, territory, and contract number to provide financial reporting at any desired level of detail.

Royalty processing relies on an intimate relationship with both contracts and accounting to maximize efficiency. System 7 validates inbound royalty reports against contracts and previous accounting history then uses this information to post royalty invoice and revenue transactions. Royalty payments (participations) are calculated using contractual terms, applicable expenses, licensing revenue, and other revenue sources prior to sending payment requests to corporate accounts payable. System 7 also makes royalty delinquency transparent and supports notification to external parties.

System 7 supports both Acquisition and Sales types of licensing agreements with equal capabilities to provide a complete finance and administrative solution across all licensing-related divisions and departments within the enterprise. Each group can establish unique accounting rules, workflow patterns, and security limits.

System 7 eliminates wasteful and error prone redundant data entry and processing. As a result, external and internal auditors are able to follow clear transaction pathways from financial postings to source documents. To support this transparency, System 7 retains contractual and financial information in perpetuity.

System 7 improves the performance of licensing businesses in the key areas of Sales Administration, Contract Execution, Royalty Management, Revenue Accounting, and Participations by promoting intelligent information processing and sharing across the enterprise. The Functionality section that follows discusses the benefits and features of each of these capabilities in detail.



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Contract and Rights Management

Sales Administration

Licensing organizations want to give their sales force the benefit of adequate contract, rights, and customer information. System 7 provides licensors, licensees, agents, representatives, and sub-distributors the best tools to research availability, sales communications, and contractual events as well as manage the approval process. System 7's Availability and Action Management engines provide key intelligence elements that transform System 7 from being just another contract database into an information solution with the ability to give bottom line rights management answers and track contractual events that are commonplace in the licensing world.

Rights Availability

Stylized Availability by Asset										
Jaguar Zoo (JZOO)										
Right	Channel / Language	Child	Availability		Excl	Acquisition			Restriction	
			Status	Next Avail		Acq Begin / Acq End	Acq Ext	Type	Excl	Party / Contract
Canada (CANA)										
Adult T-Shirts (ATSH)										
Adult T-Shirts (ATSH)										
			Available	01 Jan 2000	E	01 Jan 2000 31 Dec 9999				
United States of America (US)										
Adult T-Shirts (ATSH)										
Adult T-Shirts (ATSH)										
			Available	01 Jan 2000	E	01 Jan 2000 31 Dec 9999				

Sales administrators want to understand licensing opportunities by geographic market, product category, channel of distribution, and intellectual property asset. Jaguar's Availability engine enables this identification and, when combined with the multi-level capabilities in System 7's reference tables, supports the reporting of availability to as many levels (asset example: title, character,

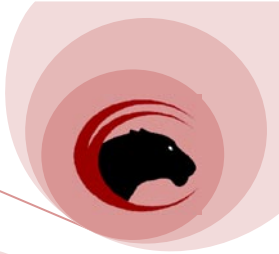
style, ...) as is necessary to accurately pinpoint business opportunities. In addition, Asset, Territory, and Right queries offer Availability analysis functions to enable immediate response to granted rights research questions.

Collision Testing

Sales administrators expect precision rights clearance, and System 7 delivers. Collision Testing takes place within contract entry, at any stage of contract negotiation or execution, to verify adequate rights ownership and freedom from conflict with rights granted by other license agreements. The combination of rights identified in both inbound and outbound license agreements determines rights availability.

The terms within each contract serve as the basis for System 7's Availability Reporting and Conflict Testing capabilities which provide a clear and definable status of rights.

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Action Management

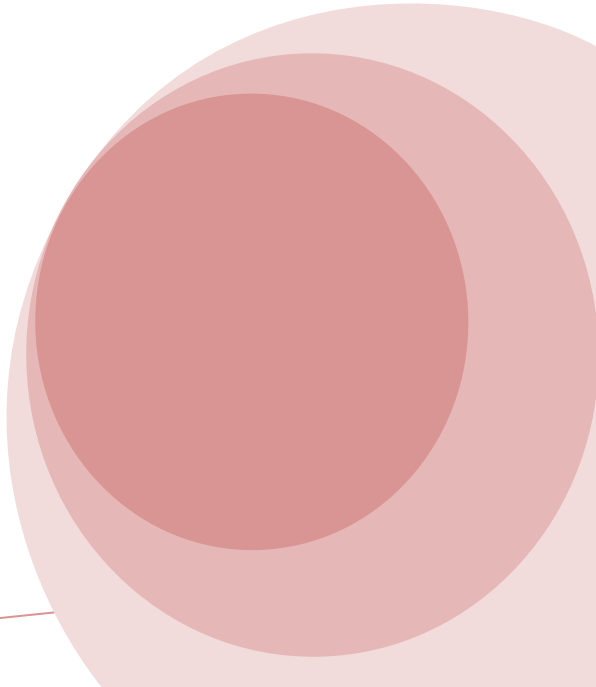
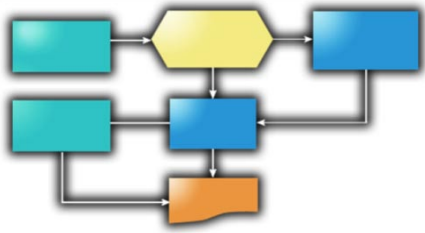
Sales administrators must manage many critical dates, some known, but more often contingent upon events that are beyond their control, such as market dates, delivery of product, or something as basic as contract execution. Action Management is an event-driven calendaring and email generation system that underpins several sales administration capabilities, including contact management, marketing communications, and workflow management.

- Contact Management allows representatives to track, manage, and report on their individual contacts with prospective customers.
- Marketing Communications produces automated email (and regular mail) in support of, for example, new product releases and trade show promotions.

System 7's calendaring functions include e-mail notification, reporting, tracking and querying of your most important contractual events and commitments.

Workflow Management

Workflow Management creates formal approval projects relating to new products, marketing proposals, pending contracts, royalty budgets, and many other possibilities. Workflow templates establish standard patterns of review and rules of system operation suitable to each decision style. Project managers then apply these templates to a specific contract, intellectual property asset, product category, or SKU to create a systematic plan of action. Workflow Management takes advantage of the Action Management engine to provide email notification services, rerouting of approval steps, document and image attachment, and coordination of contractual events.



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Contract Life Cycle and Forms

Efficient execution and administration of contracts without constantly referring back to the original documents is essential to the success of any licensing group. System 7 offers the flexibility to either create executable agreements from within



the system or to validate, process, and administer contracts created elsewhere. With either approach, System 7 captures enough critical information to control dates, invoice receivables, process royalties, update corporate accounting, and manage ongoing changes. Additionally, the use of System 7 expedites the process of moving from deal memo to contract signature.

Negotiations and Legal Review

Successful licensing demands both responsiveness and perfect accuracy in the face of complex contractual terms and multiple involved parties. System 7 offers version tracking, legal review and email export capabilities to enable this high level of effectiveness.

- Version Tracking saves a complete copy of the current version of the contract, identifies it with a unique version number, and provides both redlining and side-by-side comparisons with any other version of the contract, a boilerplate contract, or any other agreement.
- Email Export uses Business Objects technology to produce representative Word documents suitable for presentation to other parties or to Adobe Acrobat PDF format for secure document transfer.

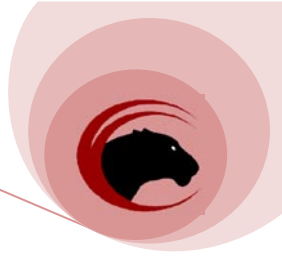
Enhanced security features allow contract administrators to be sure that the contract cannot be edited by unapproved parties during the contract drafting stage.



Calendaring and Approvals

Contract administrators want precise control over the timing of key contractual events and approval processes. The dynamic nature of licensing means that calendaring can be more of an art form than a set of standard procedures. Action Management (introduced above) provides the software machinery to bring known, estimated, and unknown dates together to support contract approval, payment, and performance dates. Contract clauses link directly to action dates to ensure precise fulfillment of complex and unusual commitments. Tickers, links to events, and no-later-than dates manage critical deadlines such as options and deliveries.

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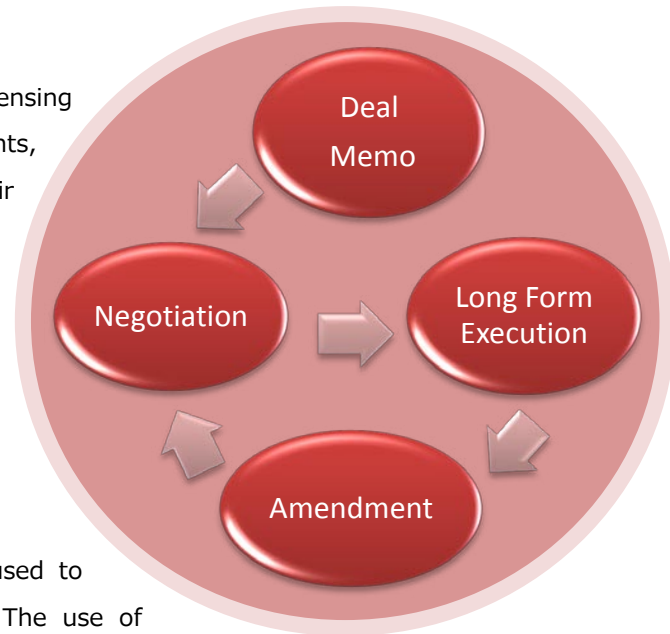


Deal Memo and Long Form Agreements

Creative business practices demand highly customizable Deal Memos and Long Forms. System 7's contract designer provides precise control of the style and organization of business terms, standard clauses, and special conditions to produce contracts of appropriate format and content. Administrators benefit from the reliability and integrity of a consistent contract entry process. Parties execute agreements as produced by the system or, alternatively, use Microsoft Word for further editing. Attach any contract or supporting document directly to a contract for reference in perpetuity.

Amendments and Revisions

Perhaps the most significant administrative challenge that licensing businesses face is to process the accounting, payment, granted rights, and performance affects of amendments and revisions to their contracts. System 7 captures these changes in perpetuity to make them available for comparison with earlier versions at any time. Most significantly, System 7 intelligently processes amendments and revisions to record their impacts on Accounts Receivable, Rights Availability, Action Calendar, and General Ledger automatically.



Acquisition Agreements

All of the functionality discussed above also applies to contracts used to acquire, develop, and sub-distribute intellectual property assets. The use of System 7 to capture these contracts ensures accurate licensing windows, consistent use of terminology, and proper compensation of involved parties. Collision Testing relies on granted rights and restrictions information within these agreements to determine whether a sales contract is legitimate as drafted or requires adjustment. Contract type keys the incorporation of standard terms and conditions language into the agreement. Payment schedules, royalty rules, and legal terms enable automatic calculation of monies due to participating parties and business entities.



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Royalty Management

One of the major benefits of System 7 is the ability to track, import, review, and calculate royalty statements submitted to the licensor. System 7 handles the complexity associated with such royalty terms including royalty tiers, limitations based on property, product and territory and type of sale as well as ancillary functions that limit deductions and sales where appropriate.

Royalty Terms

Successful licensing requires a system that captures and uses every possible special term, discount, escalation, and deduction. Sophisticated options such as royalty escalations, variable guarantees, and caps on deductions and attribute royalty rates simplify the royalty import, invoicing and validation process.

Rates and terms apply levels of assets, for example, title versus character, to individual SKU's to generate precision royalty calculations and accurate participation payments to licensors.

Licensee Reports

Proper communications between royalty departments and their licensees requires the ability to quickly and easily format, understand, and edit licensee royalty reports. System 7 incorporates an intelligent import engine to translate a wide range of royalty reporting spreadsheet organization and terminology. Royalty importing allows for the identifications of revenue types, authorized deductions, units sold, and unusual licensing terminology to ingest royalty reports with minimum effort. In addition, contract-specific templates provide an easy method for training licensees to conform to company reporting standards. System 7 also provides a mass-import feature that supports importing many reports with a single process.



Royalty Budgeting

Corporations benefit from the ability to track royalty budgets and projections as global or specific as suits their current business plan. Royalty budgeting tracks projections with sufficient precision to report on historical accuracy of projections vs. actuals, as well as performing the complex task of booking accruals to pass to the corporate accounting system. Royalty managers import and validate budget and projection spreadsheets to ensure consistency with royalty report data throughout the system.

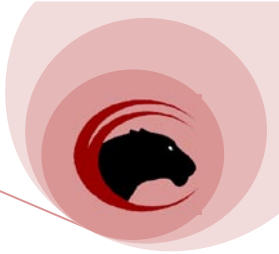
Processing and Validation

Royalty accounting departments serve as the bottom line guarantors that royalty reports are within granted rights, consistent with company standards and properly consume advances and guarantees. System 7's validation capabilities play the key role in assuring this compliance. A key function is the automated accounting that takes place during the post process, incorporating consumption of previously billed invoices and generation of accurate new invoices

Recent functionality supports budgeting, projections and the associated accrual process delivering accounting entries directly to the GL.

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Revenue Accounting



Proper accounting can have a direct impact on the bottom line for a licensing business. Timely invoicing of advances, guarantees, royalties, and fees can be the difference between collection and a write off. Precision revenue recognition can alter corporate income tax impacts.

System 7's unique invoice line-item driven Accounts Receivables enables the following functions: availability-based revenue recognition, contract revision posting, A/R Aging by Asset, cash receipt partial payment allocations, validated royalty invoicing, cash basis participations payable, product category cash flow projections and unapplied cash management.

System 7 allows for invoicing and receipt of cash on Advances, Guarantees, Royalties, Contractual Flat Fees and Manual invoices.

Invoicing

Timely invoicing improves cash flow and reduces write-downs, particularly of guarantee billings and royalty balances. System 7 invoices directly from licensing contracts to minimize accounting department review and validation of invoice detail. Contracts control invoicing using schedules, event triggers, and no-later-than dates. Each invoice print run automatically identifies and generates invoices according to contractual rules and subsequent accounting events.



Cash Receipts

Businesses rely on accurate cash receipts processing to understand the true net income of their licensing agreements. System 7 accomplishes this by applying receipts at the invoice line item level. Every line item contains precision information as to which intellectual property asset, product category, channel of distribution, territory, and contract number generated that charge. Cash flow recorded with this detail enables efficient handling of partial payments, an understanding of participation obligations, and reliable drill-down management reporting. The receipt area handles standard deductions such as bank fees and foreign withholding tax as well as miscellaneous revenue or expense items such as overpayments or agent fee deductions.

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Accounts Receivable

System 7's accounts receivable capabilities include standard A/R tracking, invoice, payment and customer statement reports along with sophisticated analysis and reporting tools such as Cash Flow Projections and Accounts Receivable Aging. These reports, which can be analyzed by asset, territory, channel, or right, inform a licensing business in a manner that customer, contract, and invoice summaries do not. Accounts receivable maintains direct linkage with licensing contracts to ensure that the debit memo and credit memo impacts of contract amendments and revisions appear instantly in customer statements.

Receivables Aging

Inv Type	Inv #	Due Date	Aged Days	Balance Due	0-30	31-60	61+
All World Films (00010017): no country							
ADV	00000246	01 Jan 2002	38	12,500.00	500.00	0.00	0.00
ADV	00000247	01 Mar 2002	79	12,500.00	500.00	0.00	0.00
ADV	00000267	01 Jun 2002	87	5,000.00	5,000.00	0.00	0.00
ADV	00000268	01 Sep 2002	95	6,250.00	0.00	0.00	0.00
FEE	00000269	01 Jan 2002	38	2,500.00	0.00	0.00	0.00
FEE	00000270	01 Mar 2002	79	2,500.00	0.00	0.00	0.00
Total for All World Films (00010017):				41,250.00	6,000.00	0.00	0.00
				41,250.00	6,000.00		

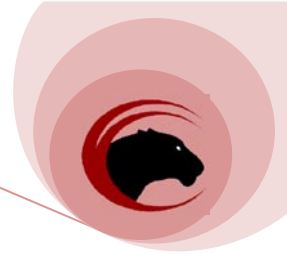
Revenue Posting

System 7 creates tremendous efficiencies by consolidating detail transactions into precisely the General Ledger impacts needed to produce accurate corporate financial statements. Accounting managers have the right to establish as many revenue recognition plans per contract and per division as necessary to comply with applicable GAAP. System 7 uses the power of Action Management to trigger posting based upon an exceptionally wide variety of revenue recognition rules. Recently added functionality also supports a sophisticated model of cash-basis accounting should clients be inclined to use such an option.

Jaguar Consulting has
been the leader in IP
Royalty and Contract
Management
Software for over 20
years

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Participations (Royalties Payable)



An efficient participant payment process pays significant business relationship dividends. Licensors, agents, and creators appreciate timely, accurate, and easily understood advance and royalty payments. System 7 combines licensing revenue and acquisition contract terms with corporate revenue and expense accounting to produce elegantly detailed payment authorizations, pending obligations reports, participation statements, and general ledger updates.



Cash-Basis Participations

System 7 organizes and consolidates cash-basis licensing earnings for use within participation calculations. The revenue analysis function assembles cash receipts collected by licensing sales contracts of all types to calculate revenues applicable to Participation Statements. Revenue accrual-based sales revenue that licensing revenue represented Fees, guarantee shortfalls, and cash received basis for these receive special handling.

Jaguar Serves as a central repository for participant data which eliminates tedious and wasteful redundant entry.

Transaction Import

Corporate revenue and expenses calculations. System 7 offers an these transactions for inclusion in entry. The activity import function downloads sales revenue/units credits and corporate expense deduction information generated by general ledger, billing ledger and specialized distribution systems. Internal participation reporting validates this information against applicable agreements and saves it in perpetuity.

Participant Reporting

Participants have the right to receive accurate summary and detail statements according to the schedule specified in their contracts. System 7 assembles contractual terms, revenue/unit sales flows, authorized expense deductions and prior account history for presentation to providers of trademarks, copyrights and performances entitled to a share in earnings from ongoing activities. Flexible formatting features enable managers to design custom presentation documents suitable for publication. In addition to issuing these periodic documents, participation reports generate on-demand to give a clear interim picture of what is known about pending participation obligations. Participation obligations can optionally post directly to the System 7 sub-ledger and be interfaced to the corporate general ledger or to accounts payable applications.

Participations Analysis Report

For the Period: 01 Jan 1900 - 31 Dec 9999
Local Currency

Transaction Party/ Transaction ID:	Participable Revenue	Participant	Rate	Their Share
Asset: Zenith Radio (Barking Dog Productions, Inc)				
Right: MERCHANDISING				
Source: Licensing revenue analysis				
All World Films 0000115	500.00	Johnson, Carol	11.00	55.00
	250.00	Johnson, Carol	11.00	

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Technical Highlights

System 7 includes the security, connectivity, database structure, access, scalability and query features demanded in an enterprise-level contract and accounting system. The following offers brief introduction to features that represent many years of experience and refinement that make them truly elegant in their application.

Security

System 7 manages the crown jewels of the enterprise's intellectual property business information. Flexibility in defining the rules of access and the ability to produce workflow configurations that are both efficient and sustainable over time are key trademarks of the system. Confidentiality is essential to maintaining productive long-term trust relationships with high profile content providers, business partners, and customers. System 7 provides the password rules, group assignments, multiple defined access levels, departmental data filtering, and administrator management tools expected in mission critical enterprise-level systems.



XAPI connectivity Utility can be used to connect Jaguar to external systems for data conversion or ongoing data migration

Connectivity

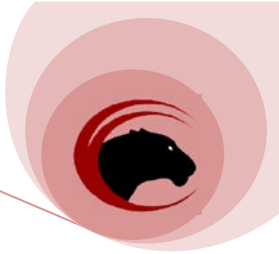
The **XAPI** connectivity utility opens System 7 to business rule-controlled custom data imports and exports. These programmer interfaces support data migration during initial system installation and the creation of one or two-way permanent external system interfaces. This utility provides the tools to create complex data movement and sharing structures with maximum business rule protection and minimum programmer coding. System installation uses include importing product masters, corporate address books, and contract databases. External system integration opportunities include Digital Asset Management, rights clearance, Accounts Payable authorization and acknowledgement, cash receipts import and website information portals.

Database

Microsoft SQL Server 2005 provides enterprise-caliber data processing and information connections. System 7 includes key SQL Server features that enable Jaguar to be recognized as the only true enterprise system in its class such as: referential integrity, transaction rollbacks, n-tier business logic, server scalability, report-printing agent, and application security. Highly refined data access indexes and extensive use of Transact SQL supply excellent performance. SQL Server's outstanding ability to interface with Microsoft Office data formats creates the opportunity for exceptional integration.

Microsoft
SQL Server™

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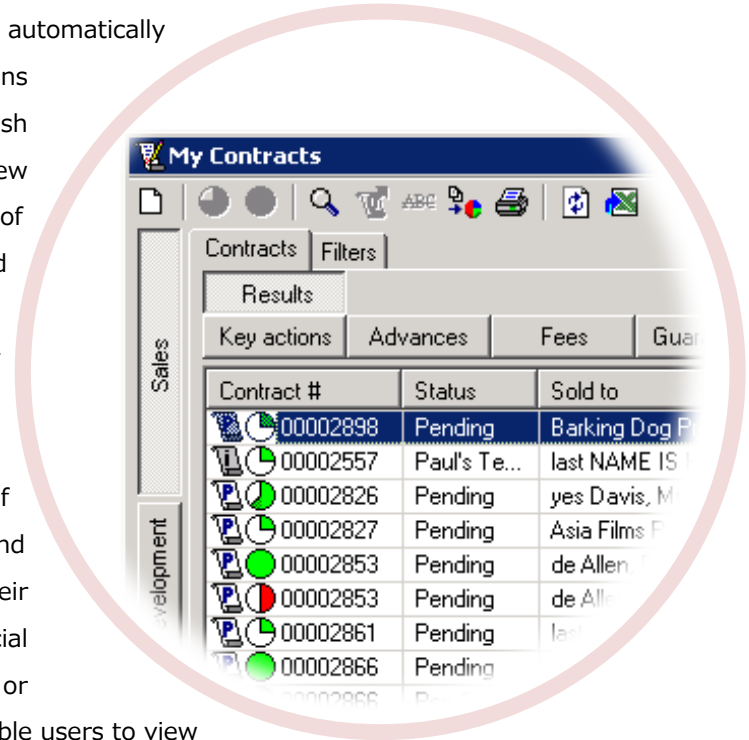
Reporting and Querying Tools

Business Objects Crystal Reports provides sophisticated reporting and graphic representation technology capable of handling the demands of producing elegant forms, detailed analysis, and practical exports to Word, Excel, Email, and PowerPoint. In addition, Raw Data Export is available as an option to create Excel spreadsheets from filtered and sorted report data without the complication of report formatting details.



My Jaguar desktop console displays updates, both manually or automatically triggered, of new system data entry and accounting transactions to ensure that nothing goes unnoticed. New invoices, new cash receipts, new events, new contracts, new customers, new relationships surface instantly, as appropriate to users' areas of interest. Comprehensive access to queries, entry forms, and processing utilities gives My Jaguar the power to cut across typical functional system organization to personalize the user experience.

Queries provide extensive drilldown and interlinking of contracts, parties, invoices, cash receipts, royalty reports, and much more to give executives the opportunity to explore their data. Pie Charts and Bar Graphs are available to analyze financial information within each query, to be exported to Word, Excel or PowerPoint for presentation. System 7's query capabilities enable users to view contractual information and real-time financial data simultaneously using our contract-centric data model.



Auxiliary Ledger

Auxiliary Ledger offers sophisticated General Ledger adjustment, account translation, calculation, and interface capabilities. Opportunities to develop rules relating to agencies, residuals, participations make this an exceptionally powerful tool for customization of system accounting outputs.



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Jaguar Consulting is a software product, development and support organization focused on serving the systems requirements of the consumer products and entertainment licensing businesses around the world. Jaguar has offices with support capabilities in Pasadena, New York, Toronto and the United Kingdom.

Jaguar maintains relationships with all of the major system integration and consulting groups focused on the consumer products and media/entertainment licensing business. Relationships with market leaders such as Infosys create the opportunity for System 7 to be a core element in large-scale systems integration and change management.

Jaguar licenses System 7 as a turnkey system for use at client sites or through off-site hosting. Jaguar provides complete package solutions including installation, data entry services, user instruction, implementation guidance; help desk, support services, training documentation, and on-line help.

Jaguar clients include: 4Kids Entertainment, A&E Television Networks, Alliance Films, American Greetings, Chorion, Cookie Jar Entertainment, Corus Entertainment, DIC Entertainment, Elsevier Science, HIT Entertainment, Jetix, Lionsgate Entertainment, National Basketball Association, National Geographic Society, Quebecor/TVA Films, RHI Entertainment, Sesame Workshop and many others.

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